

FISCAL NOTE

SB 1468 - HB 824

March 20, 1997

SUMMARY OF BILL: Allows a county which has within its boundaries a special or city school district to pledge the taxes of the county exclusive of such special or city school district for the repayment of public building authority debt issued for school construction. Current law allows such exclusive pledges for the financing of *school bond authority* debt, but requires the pledging of the full faith and credit of the entire county for *public building authority* debt. Pledging the full faith and credit of the county requires that the proceeds from the bond issue must be shared among all the school districts of the county, regardless of the need for additional school construction funding.

ESTIMATED FISCAL IMPACT:

MINIMAL

The impact is estimated to be minimal, since these options already exist for school bond authority debt. The effect of this bill is to provide greater flexibility in the use of public building authority debt when used for school construction.

Assumes that a county with a large population within its special or city school district would not benefit from such an option, since they would not be able to pledge taxes from that portion of their taxable base.

Assumes that the option provided in this bill would be taken only in counties which have a large portion of their population outside the special or city school district, since it would allow them to pledge taxes from only that portion of the population and they would not be required to share the proceeds with the special school district.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director